

## **NONCOMPLIANCE REPORT**

Attachment to Atlanta Gold Corporation's Discharge Monitoring Reports

**February 2018** - The February 5<sup>th</sup>, 21<sup>st</sup>, and 27<sup>th</sup> sampling events produced arsenic concentrations of <5 ug/L, however, on February 12<sup>th</sup> the sampling results produced a concentration of 11 ug/L. Atlanta Gold Corporation (AGC) immediately started investigating this exceedance by conducting follow-up sampling and additional sampling to pinpoint the cause of the exceedance. The follow-up and additional sampling showed no higher levels of arsenic concentrations than normal. All necessary maintenance had been performed up to the sampling week in question and, given that the other sampling weeks had been below the threshold of 10 ug/L, the sampling event in exceedance was an anomaly. Additional follow-up sampling has shown that arsenic levels are continuing to stay below 5 ug/L. AGC has performed additional precautionary maintenance and has consulted with an USFS engineer to ascertain possible reasons for this exceedance.

**March 2018** – There was only one exceedance event for the month that occurred on March 19<sup>th</sup> which produced an arsenic concentration of 15 ug/L. All other arsenic results for the month were 5 ug/L or less than 5 ug/L. The highest iron concentration was 160 ug/L which is well below the limit of 1000 ug/L. Atlanta Gold Corporation immediately looked in to the cause of this exceedance by inspecting the filters for failure, consulting with the USFS, conducting follow up sampling and generally trying to isolate what went wrong. AGC believes that it is likely there was a spike in arsenic concentrations around the time of the sampling that the filter system was not able to completely eliminate before the samples were taken. Sampling the following week showed that results were back down to 5 ug/L.